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Harnessing The Growth Economy
For Jobs For Boston Resident Workers

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While Boston's growth economy is recording unprecedented gains in job growth, and national forecasts present an even rosier picture for the future, Boston resident workers' share of Boston's jobs has declined sharply. This paradox highlights the urgent need for a range of special efforts to improve Boston resident workers' access to Boston jobs, - improvement in education and manpower training (financed by job training linkage payments, in part), broadening of the Boston Compact, and an even greater good faith effort of the private sector in the hiring of Boston resident workers, including women and minorities.

The declining role of Boston resident workers in Boston jobs, (a sustained phenomena dating back more than a third of a century but accelerating in the last five years) flows from the change in the City's economic structure and post-1976 improvement in fortune, shortfalls in education and training, and barriers to job access for women and minorities. This time of relative prosperity must be used as a window of opportunity to enhance manpower training and education, reduce the barriers to access and achieve reasonable goals for raising the Boston resident workers' share of Boston jobs.

Boston's recent growth in employment is notable, — a gain of 83,000 since 1976, and 36,000 in the last three years alone. New national projections indicate a continued bright future. Last month, the National Planning Association forecast job growth in the Boston Metro Region, to the year 2000, at 750,000, the second largest in the nation, exceeded only by that in the Los Angeles Metro Area. For the City of Boston, this could signify an average annual rate of job gain of 10,000, confirming other similar analyses.

Boston's favorable fortune must be seen in the perspective of the steady fall in Boston's jobs for a quarter of a century following 1950, until the shift from a manufacturing and trade base to that of a broad range of services took hold. Boston jobs had declined from 558,000, in 1950, to 511,000 in 1985, and, since then, have risen to 594,000, in 1985. But this successful shift eluded Boston resident workers whose numbers and share continued on a downward roller coaster, paralleling the fate of the City's manufacturing jobs. Boston resident workers' share of Boston jobs slimmed down from 282,000 (50%), in 1950, to 181,000 (30%) in 1985, while services jobs in the Boston economy escalated from 405,000 (in 1950) to 525,000 (in 1985).

Manufacturing and (wholesale) trade jobs' share in the Boston economy had decreased steadily form 27% (153,000) in 1950, to 12% (69,000) in 1985. Boston resident workers bore the brunt of this reduction as the Boston labor force was less successful in shifting to the new economy and latching on to the new jobs.

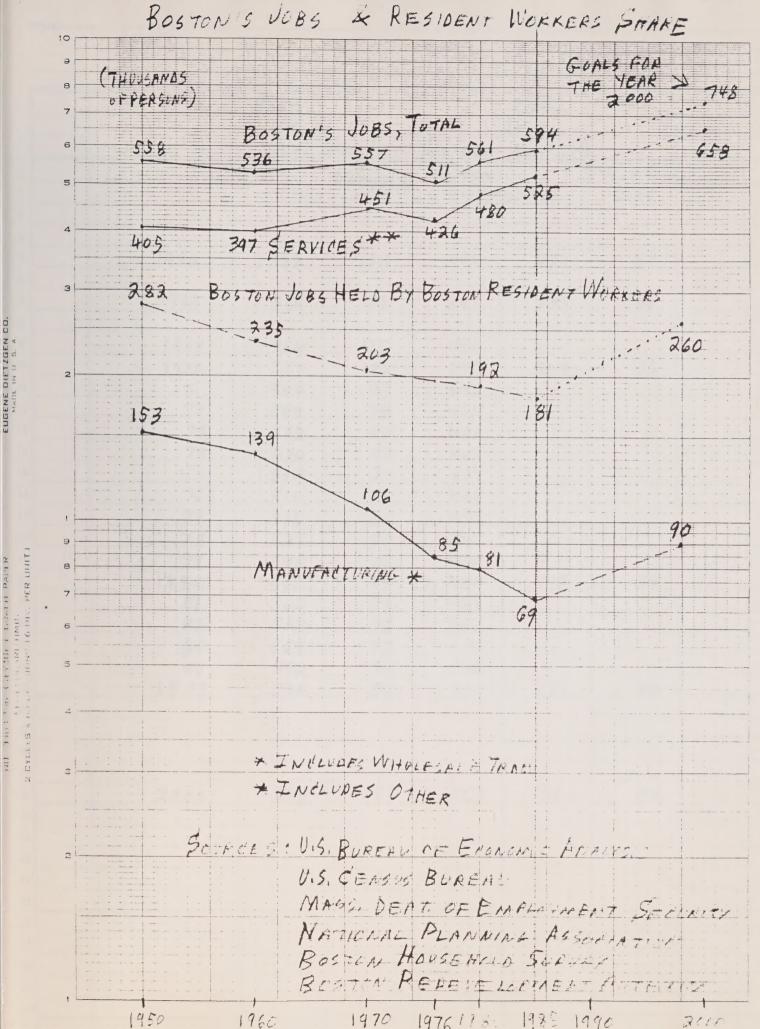
The fall in Boston resident workers' share of Boston jobs signifies higher unemployment (with the City rate of 4.6% almost one-third higher than that for the metro area), underemployment, and discouraged workers who have dropped out of the labor force and are not seeking jobs. A profile of Boston's unemployed, in 1985, throws light on the problem and the direction for the solutions. Unemployment is largely, though not exclusively, a

phenomena of males, minorities, in the prime adult working ages, less well educated, with obsolescent skills or low skills, and concentrated, in part, in industries no longer expanding. Two-thirds were male and 60% were young adults in the prime working ages 25 to 44 years. Blacks, who make up 23 percent of Boston's population, accounted for almost half (47%) of the City's unemployed; whites made up 40%. One-third had not completed high school. One-third had trained for industrial jobs and one-third had low-level occupational skills. More than one-fourth identified manufacturing as their last industry of employment.

The need to enhance Boston resident workers' participation in Boston jobs is a matter of concern. While Bostonians make up only 30% of Boston's jobs, the participation in the City's office jobs is even less -24%.

Our goal of more jobs for Boston residents is increasingly dependent on the goodwill, determination and commitment of the private sector. With the declining federal role in manpower training and education, greater reliance must be placed on private sector support for training and education through job-training linkage payments, the Boston Compact, and the work of the Tri-lateral Council. Most important of all will be the good faith effort of the private sector to achieve hiring goals for Boston women and minorities. The City of Boston is trying to set an example; of those hired in the $2\frac{1}{2}$ years of the Flynn administration, 40% are minorities. As the share of black, hispanic and asian population grows in the City, the effort to hire minorities in Boston's jobs must be strengthened. Similarly, the public and private sectors must work together to do something to reduce the 43% drop-out rate in the school system. The answer must be a combination of breaking down the barriers to job access, as well as private sector support for manpower training and education.

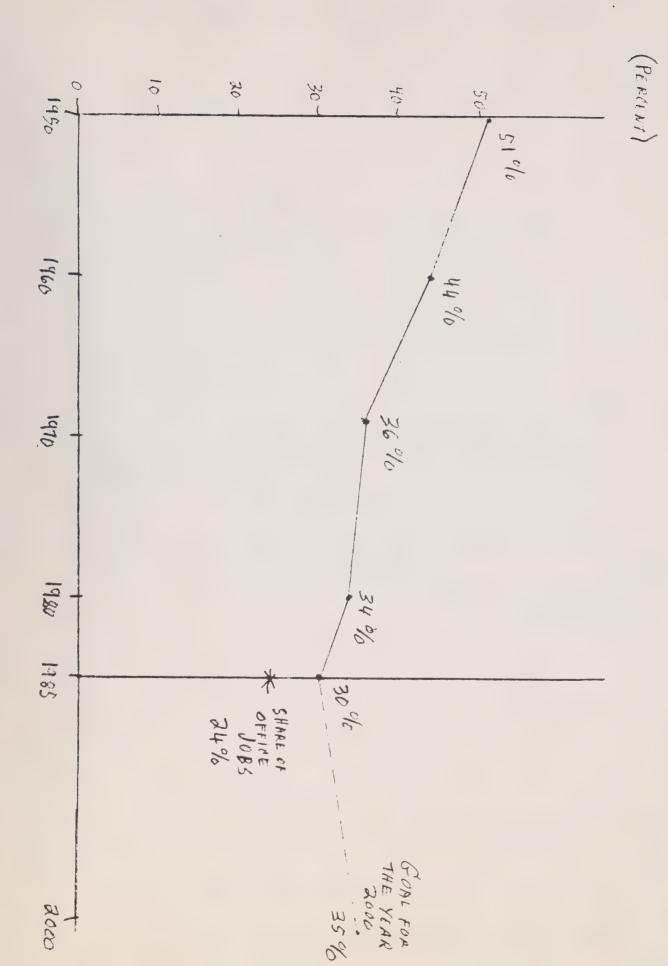
There is room for a private sector good faith effort to increase the access of Boston resident workers to Boston jobs. The City's most rapidly expanding sector, office jobs, requires both highly skilled as well as moderately skilled occupational training, suggesting a range of jobs for which Boston residents could qualify if there were fewer barriers to access. An analysis of the occupations that made up Boston's office jobs, in 1985, showed that, while 40% consisted of managerial, technical, professional and sales skills, 40% was made up of clerical and secretarial skills, and 20% comprised crafts and service skills. Boston's programs for jobs for Boston residents are designed to take advantage of this potential.



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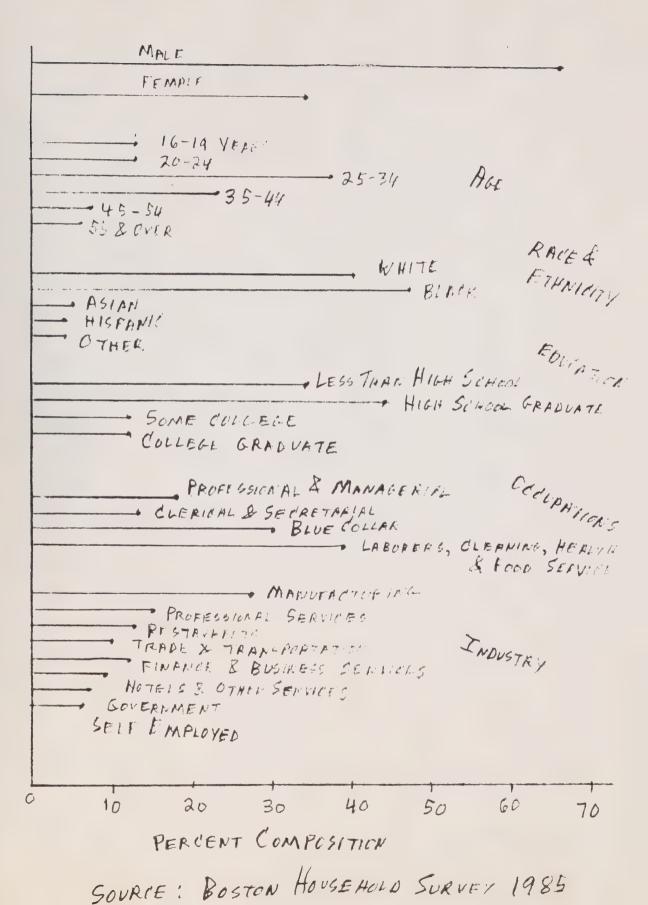
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WHO ARE THE BOSTON UNEMPLOYED?





CHARACTERISTICS OF THE UNEMPLOYED RESIDENTS OF BOSTON, AGED 16 YEARS OR MORE, FOR 1985

SEX:	
Male	66 %
Female	34 %
AGE:	
16 - 19 years	13 %
20 - 24 years	13 %
25 - 34 years	37 %
35 - 44 years	23 %
45 - 54 years	7 %
55 - 64 years	6 % 100 %
RACE:	
White, not Hispanic Origin	40 %
Black	47 %
Asian	5 %
Other	4 %
Hispanic Origin	4 % 100 %
EDUCATION:	
Less than high school	34 %
High school graduate	44 %
Some college	12 %
College graduate	12 % 100 %

SOURCE: Boston Redevelopment Authority and Neighborhood Development and Employment Agency Household Survey, conducted by the Center for Survey Research, 1985.



OCCUPATION:

ACCOLLITION.	
Professional, Technical, Managerial	15 %
Sales	3 %
Clerical	12 %
Secretarial	1 %
Crafts, Mechanical	9 %
Operatives	21 %
Laborers	3 %
Cleaning & Food Services	24 %
Health Services	4 %
Miscellaneous Services	8 %
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INDUSTRY:	
Construction	4 %
Manufacturing	27 %
Transportation, Communications, Public Utilities	5 %
Trade	5 %
Groceries & Restaurants	13 %
Finance, Insurance, Real Estate	4 %
Business and Repair Services	8 %
Professional and Social Services	15 %
Entertainment	2 %
Hotels and Lodgings	3 %
Miscellaneous Services	4 %
Local Government	5 %
State Government	2 %
Self-employment	6 % 100

SOURCE: Boston Redevelopment Authority and Neighborhood Development and Employment Agency Household Survey, conducted by the Center for Survey Research, 1985.







